Mill Roseman for Philip Morris 3/16/83
Draft of letter re Waxman bill -- tax executive.

Dear _____:

The Congress is being asked to consider a bill, H.R. 1824, which appears to me to reflect all the most oppressive government-by-regulation tendencies which the Congress and the American people have so clearly rejected.

It assumes the right to judge for Americans what is good for them, and under the guise of "educating the consumer" seeks to place such a burden on the American tobacco industry as to constitute practical prohibition of cigarette smoking.

Our past experience with prohibition, and the mentality which foisted it on the Nation, should be warning enough against such an effort, and on these grounds alone the bill merits no favorable consideration.

As a business executive deeply involved with financial concerns, however, I feel that Mr. Waxman's proposal is particularly dangerous.

It would bring about a major increase in government expenditures to fund both regulatory and propaganda machines whose multi-million dollar magnitude can at this point only be guessed at. As an example, it calls for the purchase, by the Government, of radio and television time to advise the public of purported health effects of smoking, which every survey reveals is a matter of almost total awareness right now. The cost of each commercial, by current industry figures, can run into six figures, and the gross cost of such a program would clearly be monumental. In an era of deep and proper concern about the cost of government and the mounting Federal deficits, such expenditures would be unconscionable.

It is also evident that the proposed harrassment would bring about a significant increase in the cost of producing tobacco products; a tax on the consumer and on the entire industry, in its agricultural, manufacturing and distributional areas. The bill would have a negative effect, furthermore, on Federal revenues derived from cigarette taxes -- and on State and local revenues as well -- and cut heavily into the export of these commodities, with consequent loss of earnings and jobs.

From the viewpoint of fiscal responsibility alone, beyond the matter of public policy, the proposed legislation is harmful in the extreme. I am sure that, on study, you will agree that it should not be adopted by the Congress.

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Sincerely,

Source: https://www.industrydocuments.ucsf.edu/docs/gtxj0000